VZCZCXRO7227 OO RUEHCHI RUEHCN RUEHDT RUEHHM DE RUEHJA #2197/01 3381031 ZNY SSSSS ZZH O 031031Z DEC 08 FM AMEMBASSY JAKARTA TO RUEHC/SECSTATE WASHDC IMMEDIATE 0872 INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS IMMEDIATE RUEHBJ/AMEMBASSY BEIJING PRIORITY 5688 RUEHBY/AMEMBASSY CANBERRA PRIORITY 3360 RUEHLM/AMEMBASSY COLOMBO PRIORITY 1485 RUEHKA/AMEMBASSY DHAKA PRIORITY 1467 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 2476 RUEHUL/AMEMBASSY SEOUL PRIORITY 5188 RUEHKO/AMEMBASSY TOKYO PRIORITY 2798 RUEHWL/AMEMBASSY WELLINGTON PRIORITY 3307 RUEHHK/AMCONSUL HONG KONG 3144 RUEHBAD/AMCONSUL PERTH 1316 RUEAIIA/CIA WASHDC RHEHNSC/NSC WASHDC RHHJJPI/USPACOM HONOLULU HI

S E C R E T SECTION 01 OF 04 JAKARTA 002197

NOFORN SIPDIS

DEPARTMENT FOR S, D, P, EAP, ECA, DRL DEPARTMENT PLEASE PASS TO TRANSITION TEAM

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TAGS: PREL PGOV KDEM KPAO ID
SUBJECT: AMBASSADOR DISCUSSES BILATERAL AND REGIONAL PRIORITIES WITH FM WIRAJUDA

REF: JAKARTA 2170

Classified By: Ambassador Cameron R. Hume, reasons 1.4 (b+d).

- 11. (C) SUMMARY: Ambassador Hume met FM Wirajuda for a wide-ranging discussion of bilateral and regional issues on December 2. The Ambassador urged moving forward on a number of pending bilateral agreements that were close to completion. Wirajuda agreed, particularly in concluding as soon as possible memoranda of understanding on the Fulbright Program and the Biosecurity Engagement Program.
- 12. (C) SUMMARY (Con'd): The Ambassador also engaged Wirajuda on how Indonesia and the United States might cooperate in achieving regional goals. Wirajuda underscored that our shared values of democracy, pluralism and respect for human rights provided a firm foundation for a regional partnership. Indonesia sought to promote democracy across the region and to build an inclusive Asian architecture that would lead to balanced regional relationships and not be dominated by China. Wirajuda encouraged the United States to work closely with Indonesia in pursuit of these regional objectives. This cooperation may become a formalized strategic partnership. END SUMMARY.

FULBRIGHT MOU

- 13. (SBU) Ambassador Hume urged Indonesia to work with USG to strengthen education cooperation. He explained that Mission has worked with GOI counterparts to complete a new Memorandum of Understanding (MOU) for the Fulbright Program and a related MOU to link Ministry of Education scholarships to the Fulbright Program. The two sides were close to finalizing these documents but progress had slowed due to the absence of the GOI's lead negotiator. The Ambassador urged moving ahead as soon as possible.
- 14. (SBU) FM Wirajuda agreed that educational cooperation was important and said he greatly valued his own education in the United States. (Note: Wirajuda received a master's degree from the Fletcher School, an LL.M. from Harvard and a Ph.D. from the University of Virginia.) Wirajuda said he would work with the Ministry of Education and other GOI agencies to

conclude the memoranda as soon as possible. Education was a priority for the Indonesian government, which this year had allocated 20% of its budget to education, thereby meeting a constitutional requirement for the first time.

BIOSECURITY ENGAGEMENT PROGRAM

- 15. (C) The Ambassador urged Indonesia to sign the MOU governing the Biosecurity Engagement Program (BEP). He explained that the MOU text, which had been finalized, would allow the USG to provide biosecurity related material and technical assistance to the GOI. Many GOI agencies were eager for such assistance. However, the Ministry of Health had blocked the MOU's signing in June. (Note: Health Minister Supari has frequently criticized health cooperation with the United States as infringing Indonesia's sovereignty.)
- 16. (C) Wirajuda agreed the two sides should sign the BEP MOU as soon as possible. He has discussed the matter with Health Minister Supari and other Cabinet colleagues in an effort to resolve the impasse. He acknowledged that Health Minister Supari had been difficult to work with and said President Yudhoyono had taken steps to rein her in, following her critical comments regarding a common ASEAN market. Wirajuda said he thought there was a good chance of success on the BEP because public controversies over health cooperation, including the operations of NAMRU-II, had died down.

HAMBALI

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17. (S/NF) The Ambassador told FM Wirajuda that USG officials would grant Indonesia's request for access to terrorist detainee Riduan Isamuddin, a.k.a. Hambali. (Note: Hambali, a Guantanamo Bay detainee, is suspected of leading Jemaah Islamiya (JI) operations, including the August 5, 2003 bombing of the Marriott Hotel in Jakarta.) The Ambassador explained that GOI officials would be granted access in early January 2009 and would receive further information through law enforcement liaison channels. Wirajuda thanked the Ambassador for accommodating Indonesia's request on this matter. He repeated the GOI request for access and for close consultation before any action is taken that could result in Hambali's return to Indonesia.

MILLENNIUM CHALLENGE CORPORATION

18. (C) The Ambassador noted that that the MCC Board would consider Indonesia for Compact status during its December 11 meeting. He noted that Indonesia had met the necessary indicators but cautioned that some Board members might be concerned about recent protectionist moves. Wirajuda said Indonesia looked forward to the Board's decision. He added that President Yudhoyono remained committed to the promises made regarding trade liberalization during the Washington Summit on Financial Markets and the APEC Leaders' Meeting.

OTHER BILATERAL PRIORITIES

- 19. (SBU) Ambassador Hume outlined a number of other initiatives that could advance our bilateral relationship:
- --Conclusion of an agreement formalizing existing bilateral defense cooperation;
- --An arrangement for Indonesia to benefit from provisions of the Tropical Forest Conservation Act;
- --U.S. support for the Coral Triangle Initiative and the visit of the NOAA research vessel Okeanos Explorer to Indonesia for the World Oceans' Conference;
- --Launching of negotiations to conclude an umbrella science and technology agreement; and,

--Establishment of additional formal links between Indonesian and American universities.

FM Wirajuda agreed these initiatives would benefit U.S.-Indonesia relations.

TIME MAGAZINE CASE

110. (C) The Ambassador raised a key rule-of-law issue--the defamation suit against TIME Magazine for its reporting on corruption in former President Suharto's family. Ambassador Hume noted informal reports that the Supreme Court had overturned its verdict against TIME but the court had not yet announced this decision. He urged the GOI to announce a decision in the case, if one has actually been reached.

LOOKING TO THE FUTURE

- 111. (C) Ambassador Hume engaged FM Wirajuda in a wide-ranging discussion of the future of U.S.-Indonesia relations. He noted that President Yudhoyono had raised the possibility of a Strategic Partnership in a November 14 speech in Washington and asked Wirajuda to outline what the GOI saw as the fundamental elements of such a partnership.
- 112. (C) Wirajuda said the shared values of democracy, pluralism and respect for human rights provided a strong basis for such a partnership. Although the United States and Indonesia might not agree on every issue, the two nations

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shared broad objectives in the region. Wirajuda explained that Indonesia's democracy was increasingly shaping the country's foreign policy—a dramatic change from the era when Indonesia was under authoritarian rule.

PROMOTING DEMOCRACY

- 13. (C) Wirajuda underscored the Yudhoyono administration's commitment to promoting democracy as a key element of its foreign policy. This stemmed from the President's and Wirajuda's own personal beliefs. It also resulted from the insistence of key domestic constituencies—especially the legislature—that democracy be central to Indonesian foreign policy. Indonesia had pressed for inclusion of democracy, human rights and good governance in the ASEAN Charter.
- 114. (C) Indonesia was still exploring how to do this, Wirajuda said. The country had a history of authoritarian rule and adhered to Non-Aligned Movement orthodoxy regarding non-interference in the affairs of other states. Indonesia was also sensitive to the "democracy gap" within ASEAN. As a result, Wirajuda explained, Indonesia was initially reticent about promoting democracy in regional discourse.
- 115. (C) The Indonesian government decided to organize the Bali Democracy Forum (BDF) as a first step in its regional democracy-promotion strategy. (Note: Indonesia will host the BDF December 10-11 with participation by a wide range of states from Asia and the Middle East. See reftel.) Wirajuda noted that some observers had questioned the utility of the BDF given Thailand's current democracy crisis. He said that such a period of crisis might be the most useful time to hold an event like the BDF.
- 116. (C) Wirajuda said that Indonesia remained committed to pressing for democratic reform in Burma. Referring to parliamentary concern on this matter, he said, "I would be condemned at home if I did not press on Burma." However, he evinced frustration at the Burmese regime's intransigence and the difficulty of achieving an ASEAN consensus on any tough actions vis a vis Rangoon. Wirajuda said Indonesia hoped the BDF, which Burma would attend, could help promote reform there.

- 117. (C) Indonesia favored broadly inclusive regional structures so that China would not dominate them, Wirajuda explained. Indonesia sought to engage China rather than try to contain it. However, Indonesia wanted a regional architecture that guaranteed balanced relationships. Because of this, Indonesia encouraged the United States, India, Australia and New Zealand to participate in the regional structures that were developing around ASEAN.
- 118. (C) The FM welcomed the USG's decision to appoint an Ambassador for ASEAN and urged the United States to be more engaged in Southeast Asia. Signing the ASEAN Treaty of Amity and Cooperation (TAC) would be an important step in formalizing this engagement. Wirajuda noted the USG's extensive engagement in Northeast Asia, as demonstrated by the Six Party Talks on the DPRK's nuclear program, and urged a similarly comprehensive engagement with Southeast Asia.
- 119. (C) Wirajuda also underscored the importance of regional free-trade agreements as building blocks of regional order. These, together with the various ASEAN 1 arrangements--some of which had already led to FTAs--gave ASEAN an opportunity to shape the region's evolving institutions.
- 120. (C) The Ambassador agreed that Indonesia had changed dramatically since the fall of Suharto just ten years ago. This changed reality, and shared values, provided a basis for

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a common strategy toward key regional issues. The United States looked forward to developing a closer partnership with Indonesia in pursuit of this goal.